

Virginia Employment Commission

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The Virginia unemployment rate fell to 5.3 percent in January while total nonfarm payroll employment increased by 14,100

— The recent changes in these measures reflect the effects of the coronavirus (COVID-19) pandemic and efforts to contain it. —

RICHMOND— Virginia's seasonally adjusted unemployment rate fell 0.3 of a percentage point in January to 5.3 percent, which is 2.8 percentage points above the rate from a year ago. According to household survey data in January, the labor force decreased by 1,452, essentially unchanged, to 4,253,627, as the number of unemployed residents decreased by 8,920. The number of employed residents rose by 7,468 to 4,026,343. Virginia's seasonally adjusted unemployment rate continues to be below the national rate, which decreased to 6.3 percent.

Virginia nonagricultural wage and salary employment, from the monthly establishment survey, rose by 14,100 jobs in January to 3,895,200. December's preliminary estimate was revised downward by 28,900, eliminating that month's small job gain. In January, private sector employment increased by 8,900 jobs to 3,191,200, while public sector payrolls increased by 5,200 jobs to 704,000.

(more)

VRC/TDD VA Relay 711 Equal Opportunity Employer/Program Employment rose in seven of eleven major industry sectors and declined in four. The largest job gain during January occurred in **government** with an increase of 5,200 jobs to 704,000. The increase occurred in state government (+5,700 jobs), while federal government (-300 jobs) and local government (-200 jobs) shed jobs in January. The second largest increase occurred in **trade and transportation** (+4,700 jobs) to 654,400. Other increases included **leisure and hospitality** (+4,200 jobs) to 339,800, **professional and business services** (+1,400 jobs) to 767,500, **education and health services** (+900 jobs) to 529,400, **information** (+500 jobs) to 65,000, and **construction** (+400 jobs) to 207,500. The largest decrease occurred in **manufacturing** (-2,100 jobs) to 233,800. **Other services** employment fell by 600 jobs to 179,000 while **financial activities** lost 400 jobs to 208,000 over the month. **Mining and logging** lost 100 jobs, falling to 6,800 in January.

Nonfarm Employment in Virginia* Seasonally Adjusted

Industry	Employment			December 2020 to January 2021		January 2020 to January 2021	
	January 2021	December 2020	January 2020	Change	% Change	Change	% Change
Total Nonfarm	3,895,200	3,881,100	4,089,100	14,100	0.4%	-193,900	-4.7%
Total Private Sector	3,191,200	3,182,300	3,352,000	8,900	0.3%	-160,800	-4.8%
Goods-Producing	448,100	449,900	458,500	-1,800	-0.4%	-10,400	-2.3%
Mining	6,800	6,900	7,700	-100	-1.4%	-900	-11.7%
Construction	207,500	207,100	207,500	400	0.2%	0	0.0%
Manufacturing	233,800	235,900	243,300	-2,100	-0.9%	-9,500	-3.9%
Service-Providing	3,447,100	3,431,200	3,630,600	15,900	0.5%	-183,500	-5.1%
Private Service-Providing	2,743,100	2,732,400	2,893,500	10,700	0.4%	-150,400	-5.2%
Trade, Transportation, and Utilities	654,400	649,700	660,200	4,700	0.7%	-5,800	-0.9%
Information	65,000	64,500	68,100	500	0.8%	-3,100	-4.6%
Finance	208,000	208,400	214,500	-400	-0.2%	-6,500	-3.0%
Professional and Business Services	767,500	766,100	776,100	1,400	0.2%	-8,600	-1.1%
Education and Health Services	529,400	528,500	556,400	900	0.2%	-27,000	-4.9%
Leisure and Hospitality Services	339,800	335,600	421,400	4,200	1.3%	-81,600	-19.4%
Miscellaneous Services	179,000	179,600	196,800	-600	-0.3%	-17,800	-9.0%
Government	704,000	698,800	737,100	5,200	0.7%	-33,100	-4.5%
Federal Government	185,900	186,200	184,200	-300	-0.2%	1,700	0.9%
State Government	157,200	151,500	163,400	5,700	3.8%	-6,200	-3.8%
Local Government	360,900	361,100	389,500	-200	-0.1%	-28,600	-7.3%

^{*}Current month's estimates are preliminary.

From January 2020 to January 2021, the VEC estimates that establishments in Virginia lost 193,900 jobs, a decrease of 4.7%. In January, the private sector recorded an over-the-year loss of 160,800 jobs, while employment in the public sector lost 33,100 jobs.

Compared to a year ago, on a **seasonally adjusted** basis, ten out of eleven major industry divisions experienced employment decreases with one industry unchanged. The largest over-the-year job loss occurred in **leisure and hospitality**, down 81,600 jobs (-19.4%). The next largest over-the-year job loss occurred in **government**, down 33,100 jobs (-4.5%). Within government, there were decreases in local government employment (-28,600 jobs) and state government employment (-6,200 jobs). Federal government experienced an increase in employment (+1,700 jobs). **Education and health services** experienced the third largest over-the-year job loss of 27,000 jobs (-4.9%). **Other services** employment declined by 17,800 jobs (-9.0%). **Manufacturing** lost 9,500 jobs (-3.9%) while **professional and business services** shed 8,600 jobs (-1.1%). Other losses were in **finance**, down 6,500 jobs (-3.0%); **trade and transportation**, down 5,800 jobs (-0.9%); **information**, down 3,100 jobs (-4.6%); and **mining** down 900 jobs (-11.7%). **Construction** was unchanged over-the-year at 207,500 jobs.

Total Nonfarm Employment in Virginia*
Seasonally Adjusted

Area	Employment			December 2020 to January 2021		January 2020 to January 2021	
	January 2021	December 2020	January 2020	Change	% Change	Change	% Change
Virginia	3,895,200	3,881,100	4,089,100	14,100	0.4%	-193,900	-4.7%
Blacksburg-Christiansburg- Radford MSA	75,900	73,400	78,500	2,500	3.4%	-2,600	-3.3%
Charlottesville MSA	113,500	112,700	123,600	800	0.7%	-10,100	-8.2%
Harrisonburg MSA	65,100	65,800	70,200	-700	-1.1%	-5,100	-7.3%
Lynchburg MSA	99,900	99,900	105,900	0	0.0%	-6,000	-5.7%
Northern Virginia MSA	1,455,700	1,452,700	1,534,500	3,000	0.2%	-78,800	-5.1%
Richmond MSA	651,900	651,400	691,800	500	0.1%	-39,900	-5.8%
Roanoke MSA	155,500	155,600	162,700	-100	-0.1%	-7,200	-4.4%
Staunton-Waynesboro MSA	51,100	50,900	51,800	200	0.4%	-700	-1.4%
Virginia Beach-Norfolk-Newport News, Virginia/North Carolina MSA	765,900	763,400	804,500	2,500	0.3%	-38,600	-4.8%
Winchester, Virginia/West Virginia MSA	65,800	66,000	66,700	-200	-0.3%	-900	-1.3%

^{*}Current month's estimates are preliminary.

Seasonally adjusted total nonfarm employment data is produced for ten metropolitan areas. In January, six metropolitan areas experienced over-the-month job gains, one was unchanged, and three experienced losses over-the-month. The largest absolute job increase occurred in Northern Virginia (+3,000 jobs). The next largest absolute job gains occurred in Blacksburg-Christiansburg-Radford (+2,500 jobs) and Virginia Beach-Norfolk-Newport News (+2,500 jobs). Other increases include Charlottesville (+800 jobs), Richmond (+500 jobs), and Staunton-Waynesboro (+200). Harrisonburg experienced the largest absolute job loss, down 700 jobs. Other over-the-month job losses occurred in Winchester (-200 jobs) and Roanoke (-100 jobs). Lynchburg was unchanged over-the-month.

Over-the-year, **seasonally adjusted** total nonfarm employment decreased in all ten metropolitan areas. The Northern Virginia metropolitan area experienced the largest absolute job loss, down 78,800 jobs (-5.1%). Richmond ranked second, with a loss of 39,900 jobs (-5.8%). Virginia Beach-Norfolk-Newport News ranked third with a decline of 38,600 jobs (-4.8%). Other over-the-year job losses occurred in Charlottesville (-10,100 jobs), Roanoke (-7,200 jobs), Lynchburg (-6,000 jobs), Harrisonburg (-5,100 jobs), Blacksburg-Christiansburg-Radford (-2,600 jobs), Winchester (-900 jobs) and Staunton-Waynesboro (-700 jobs).

NOT SEASONALLY ADJUSTED DATA

Virginia's **unadjusted** unemployment rate was unchanged in January at 5.7 percent, but was up 2.9 percentage points from a year ago. Compared to a year ago, the number of unemployed increased by 116,903, household employment decreased by 336,739, and the labor force decreased by 219,836. Virginia's not seasonally adjusted unemployment rate continues to be below the national unadjusted rate, which rose by 0.3 percentage points in January to 6.8 percent.

Compared to last month, the January **unadjusted** workweek for Virginia's 154,200 manufacturing production workers was unchanged at 40.8 hours. Average hourly earnings of private-sector production workers decreased by \$.12 to \$21.05 in January and average weekly earnings fell \$4.90 to \$858.84.

Technical note: Estimates of unemployment and industry employment levels are obtained from two separate monthly surveys. Resident employment and unemployment data are mainly derived from the Virginia portion of the national Current Population Survey (CPS), a household survey conducted each month by the U.S. Census Bureau under contract with BLS, which provides input to the Local Area Unemployment Statistics (LAUS) program (often referred to as the "household" survey). Industry employment data is mainly derived from the Current Employment Statistics (CES) survey, a monthly survey of approximately 18,000 Virginia businesses conducted by BLS, which provides estimates of employment, hours, and earnings data broken down by industry for the nation as a whole, all states and most major metropolitan areas (often referred to as the "establishment" survey). Both industry and household estimates are revised each month based on additional information from updated survey reports compiled by the BLS. For national figures and information on how COVID-19 affected collection of the BLS establishment and household surveys in January, refer to the BLS January 2021 Employment Situation press release for details.

The statistical reference week for the household survey this month was the week of January 10-16, 2021.

The Virginia Employment Commission plans to release the January local area unemployment rates on Friday, March 19, 2021. The data will be available on our website www.VirginiaWorks.com.

The February statewide unemployment rate and employment data for both the state and metropolitan areas are scheduled to be released on Friday, March 26, 2021.